

TO: Board Members

THROUGH: Carolyn L. Brittin, Deputy Executive Administrator,
Water Resources Planning and Information

David Carter, Manager,
Contracting and Purchasing

FROM: David Meeseey, Program Specialist VII,
Water Resources Planning and Information

DATE: February 20, 2013

SUBJECT: Award of Fiscal Year (FY) 2013 Grants for Solicited Regional Facility
Planning Grant Applications

ACTION REQUESTED

Authorize the Executive Administrator to: a) negotiate and execute contracts on or before June 20, 2013, in a total amount not to exceed \$263,700 for solicited grant proposals for the development of regional facility plans; and b) transfer funds from the Water Assistance Fund to the Research and Planning Fund.

BACKGROUND

On October 5, 2012, Texas Water Development Board (TWDB) staff published a Request for Applications (RFA) in the *Texas Register* for regional facility planning grants from the Research and Planning Fund (see Attachment A). The purpose of these planning studies is to evaluate and determine the most feasible alternatives to meet water and/or wastewater facility needs. Four applications were received by the submittal deadline of December 20, 2012.

KEY ISSUES

Total funding for Fiscal Year 2013 (FY13) for regional facility planning grants is up to \$400,000. Funding requested by four applicants totaled \$285,700. The City of Uvalde requested a 75 percent grant totaling \$66,000 but they did not meet the eligibility criteria of having

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unemployment rates exceeding the state average by 50% or more, and per capita income of 65% or less of the state average for the last reporting period available (31 TAC 355.10(a)). Therefore, staff recommends a 50 percent grant to the city in the amount of \$44,000.

Staff reviewed, evaluated and ranked the applications using the General Research and Planning Fund eligibility criteria identified in 31 Texas Administrative Code §355.5(4)(A-H). The applications were evaluated for consistency with the approved regional water plans and all scope of work tasks were evaluated for responsiveness to the RFA, eligibility, reasonableness of budget, and for potential duplication of effort in regional water supply planning.

An application summary of each of the recommended applications is contained in Attachment B. The following table includes staff's ranking of the applications and funding requested by each.

Ranking/Applicant	Requested Funding	Staff Recommendation-Not To Exceed Amount
1 Pflugerville	\$50,000	\$50,000
2 Uvalde	\$66,000	\$44,000
3 Victoria	\$135,000	\$135,000
4 Kerr County	\$34,700	\$34,700
TOTAL	\$285,700	\$263,700

Staff Recommendation

Staff recommends funding three of the four applications in the amounts requested and funding the application from the City of Uvalde at the usual 50 percent in the amount of \$44,000 since they do not meet the eligibility requirements for a 75 percent grant.

This recommendation has been reviewed by legal counsel and is in compliance with all applicable statutes and TWDB rules.

Ken Petersen, General Counsel

Attachment(s): A: Request for Applications for Regional Facility Planning
B: Recommended Application Summaries

ATTACHMENT A

ANNOUNCEMENT PUBLISHED IN October 5, 2012, *TEXAS REGISTER*

Request for Applications for Regional Water and Wastewater Facility Planning

The Texas Water Development Board (Board) requests, pursuant to 31 Texas Administrative Code (TAC) Chapter 355, Subchapter A, as amended, the submission of planning grant applications leading to the possible award of contracts for regional facility planning. This planning will evaluate and determine the most feasible alternatives to meet water supply and/or wastewater facility needs, estimate the costs associated with implementing feasible water supply and/or wastewater facility alternatives, and identify institutional arrangements to provide water supply and/or wastewater services for areas in Texas. In order to receive a grant, the applicant must have the authority to plan, implement, and operate regional water supply and/or wastewater facilities.

Planning grant applications may be submitted by eligible political subdivisions from any area of the state. To be eligible for funding, at least two political subdivisions must participate in the proposed study and more than one service area must be evaluated for feasibility of regional facilities. In addition, applicants must supply a map of the geographical planning area to be studied.

Description of Planning Purpose and Objectives

Note: Studies related to the development of regional water supply plans, the evaluation of water supply alternatives, and drought response plans, as described in Texas Water Code, §16.053, are not eligible for funding under this Request for Applications. The purpose of this program is for the state to assist local governments to prepare plans that document water supply and/or wastewater service facility needs, identify feasible regional alternatives to meet water supply and/or wastewater facility needs, and present estimates of costs associated with providing regional water supply facilities and distribution lines and/or regional wastewater treatment plants and collection systems. The study should, at a minimum, include the following steps:

Develop Problem Statement;
Inventory Existing Conditions and Forecast Future Conditions and Needs;
Formulate Planning Alternatives;
Evaluate and Compare Each Planning Alternative; and
Select Best Planning Alternative.

A water conservation plan and a drought management plan must be developed to ensure that existing and future sources are used efficiently and as a basis for confirming demand projections of future need. The Board's population and water demand projections will be considered in preparing projections. Discrete phases to implement regional water supply and/or wastewater

facilities to meet projected needs will be identified. Environmental, social, and cultural factors for possible solutions identified in the plan should be evaluated. Cost estimates will be made for each respective implementation phase to determine the capital, operation, and maintenance requirements for a 30-year planning period. Separate cost estimates will be made for each regional water supply and/or wastewater system component, including the water conservation program.

Description of Funding Consideration

An amount not to exceed \$400,000 has been initially authorized for Fiscal Year 2013 assistance for regional facility planning from the Board's Research and Planning Fund. Up to 50 percent funding may be provided to individual applicants, with up to 75 percent funding available to areas identified in 31 TAC §355.10(a) as economically disadvantaged. In the event that acceptable applications are not submitted, the Board retains the right not to award contract funds.

Deadline, Review Criteria, and Contact Person for Additional Information

Six double-sided copies on recycled paper and one digital copy (CD) of a complete regional facility planning grant application including the required attachments must be filed with the Board prior to 12:00 p.m., Thursday, December 20, 2012. Applications can be directed either in person to David Carter, Texas Water Development Board, Stephen F. Austin Building, 1700 North Congress Avenue, Austin, Texas or by mail to Mr. David Carter, Texas Water Development Board, P.O. Box 13231, Austin, Texas 78711-3231.

Applications will be evaluated according to 31 TAC §355.5. All potential applicants can contact the Board to obtain these rules and an application instruction sheet. Requests for information may be directed to David Meesey at the preceding mailing address, by e-mail at david.meesey@twdb.texas.gov or by calling (512) 936-0852. More information can be found on the Internet at the following address: <http://www.twdb.texas.gov>.

ATTACHMENT B
APPLICATION SUMMARIES

City of Pflugerville

Research and Planning Fund Category:
Regional Water Facility Planning Grant

Proposed Project Funding:

State Requested Share	\$50,000
Local Cash	\$50,000
Local In-Kind Services	\$5,000
Total Project Costs	\$105,000

Participants:

City of Pflugerville, City of Hutto, Lower Colorado River Authority and Aqua Water Supply Corporation.

Planning Area:

The city limits, extraterritorial jurisdictions, and service areas, of Pflugerville, Hutto and Aqua Water Supply Corporation.

Project Description:

Facility planning to study alternative transmission and delivery options for regional water service in the study area.

Study Duration:

9 months from contract execution.

City of Uvalde

Research and Planning Fund Category:
Regional Water Facility Planning Grant

Proposed Project Funding:

State Requested Share	\$66,000
State Recommended Share	\$44,000
Local Cash	\$32,000
Local In-Kind Services	\$12,000
Total Project Costs	\$88,000

Participants:

City of Uvalde and Uvalde County.

Planning Area:

The city limits of Uvalde, its extraterritorial jurisdiction, and the remainder of Uvalde County.

Project Description:

Facility planning to study alternative regional water transmission and distribution systems in the study area.

Study Duration:

12 months from contract execution.

City of Victoria

Research and Planning Fund Category:

Regional Water Facility Planning Grant

Proposed Project Funding:

State Requested Share	\$135,000
Local Cash	\$135,000
Local In-Kind Services	\$0
Total Project Costs	\$270,000

Participants:

City of Victoria, Lavaca-Navidad River Authority, Port of Victoria and Guadalupe-Blanco River Authority.

Planning Area:

City of Victoria's city limits and extraterritorial jurisdiction in Victoria County, Lavaca-Navidad River Authority's service area in Jackson County, and a portion of Guadalupe-Blanco River Authority's service area in Calhoun County.

Project Description:

Facility planning to determine the feasibility of developing regional water supply systems, including aquifer storage and recovery operations, for entities in the study area.

Study Duration:

12 months from contract execution.

Kerr County

Research and Planning Fund Category:

Regional Water Facility Planning Grant

Proposed Project Funding:

State Requested Share	\$34,700
Local Cash	\$14, 675
Local In-Kind Services	\$20,025
Total Project Costs	\$69,400

Participants:

Kerr County, Kendall County, Kendall County Water Control and Improvement District No. 1, Upper Guadalupe River Authority, Guadalupe-Blanco River Authority, Headwaters Groundwater Conservation District, and Cow Creek Groundwater Conservation District.

Planning Area:

Eastern Kerr County and Kendall County Water Control and Improvement District No. 1's service area.

Project Description:

Facility planning to study alternative treatment, storage, and distribution options for regional water supply systems in the study area.

Study Duration:

11 months from contract execution.

ITEM SUMMARY	February 22, 2012
The four applications listed above and documentation submitted by the applicants for consideration of this financial assistance has been reviewed by Contract Administration and determined to meet funding requirements.	Signature David Carter
The Texas Water Development Board is authorized to provide funding for these applications, which meet legal requirements of the subject financial assistance program.	Signature General Counsel